

Message Text

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ACTION EUR-12

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USEEC

E.O. 11652: N/A
TAGS: ELAB, PINT, FR
SUBJECT: THE FRENCH TRADE UNIONS: TOWARDS A NEW
GRENELLE?

REF: PARIS 4252

1. SUMMARY: SHOULD THE PCF PARTICIPATE IN A NEW
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GOVERNMENT, THERE WILL BE RELATIVE LABOR PEACE, AT
A PRICE. OTHERWISE, TROUBLE SEEMS INEVITABLE THIS
SPRING. END SUMMARY.

2. ALL SIX OF FRANCE'S LABOR CONFEDERATIONS WOULD
AGREE ON AT LEAST ONE THING: THE BARRE PLAN'S LIMITS
ON WAGE INCREASES MUST GO. LIKE THEIR COUNTERPARTS

ELSEWHERE, THE UNIONS ARE CONVINCED THAT AUSTERITY PROGRAMS INEVITABLY CONTROL WAGES MORE EFFECTIVELY THAN PRICES, PROFITS, AND INTEREST; AND THAT THEREFORE THEIR MEMBERSHIPS' REAL INCOMES HAVE NOT KEPT UP WITH INFLATION. MORE IMPORTANT STILL, THE WORKERS THEMSELVES SHARE THE BELIEF THAT THEY HAVE LOST GROUND. THEIR DISCONTENT, HOWEVER, SEEMS TO VARY IN INTENSITY FROM MILD, IN PARTS OF THE PRIVATE SECTOR WHERE PEOPLE ARE CONSCIOUS OF THE WORLD ECONOMIC SITUATION AND ARE THANKFUL JUST TO HAVE A JOB; TO INTENSE, IN PARTS OF THE PUBLIC SECTOR WHERE EMPLOYMENT IS SECURE AND THE WORKINGS OF THE ECONOMIC ORDER ARE BUT DIMLY AND CRITICALLY PERCEIVED.

3. IN ADDITION, ALL THE UNIONS RESENT, WITH VARYING DEGREES OF INTENSITY, THE ARBITRARY NATURE OF THE CONTROLS IMPOSED BY THE GOVERNMENT, UNILATERALLY, WITHOUT CONSULTATION MUCH LESS NEGOTIATION; AND, WHICH, THEREFORE, STRIKE AT THE VERY HEART OF TRADE UNIONISM: THE ABILITY TO BARGAIN EFFECTIVELY.

(A) NATURALLY, THE GOVERNMENT'S ACTION WAS SHAPED TO SOME EXTENT BY THE SURE KNOWLEDGE THAT THE CGT, CFDT AND FEN (ALL DECLARED ENEMIES) COULD AND WOULD NOT COOPERATE IN A PRE-ELECTION PERIOD IN SETTING UP AND ADMINISTERING AN AUSTERITY PROGRAM. BUT THIS LIMITED OFFICIAL USE

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HAS NOT PREVENTED THOSE SAME UNIONS FROM BEING THE MOST VOCAL IN ATTACKING THE GOVERNMENT FOR REFUSING MEANINGFUL BARGAINING ON WAGES; AND FROM REPEATEDLY DEMANDING TRIPARTITE NEGOTIATIONS ON WAGE AND RELATED ISSUES.

(B) IF ANYTHING, HOWEVER, THESE GOVERNMENT-IMPOSED WAGE LIMITS POSE BIGGER PROBLEMS FOR THE REFORMIST UNIONS - FO, CFDT AND CGC. THEIR WHOLE PHILOSOPHY OF COLLECTIVE BARGAINING, AND THEIR REJECTION OF POLITICAL ACTIVISM, REST ON THE ABILITY TO HAVE A REAL SAY IN SETTING WAGES, AND THE INDEFINITE CONTINUATION OF STATE-IMPOSED LIMITS ON WHAT THEY CAN OBTAIN WOULD BE FATAL. RECOGNIZING THIS PROBLEM, THE GOVERNMENT HAS PRESERVED SOME FLEXIBILITY AND PERMITTED, EVEN ENCOURAGED, THE REFORMISTS TO SEEK NOT ONLY VARIATIONS WITHIN THE OVERALL LIMITS ON WAGES, BUT ALSO NON-CASH BENEFITS, SUCH AS THE EXTENSION OF SALARIED STATUS TO ALL BLUE-COLLAR WORKERS (OBTAINED), AND THE FIFTH WEEK OF PAID VACATION (STILL TO BE WON). THAT THESE UNIONS HAVE CHOSEN TO GO ALONG WITH THE GOVERNMENT,

THUS FAR, IS MORE A MEASURE OF THEIR CALCULATIONS
AS TO WHAT THE ECONOMY CAN BEAR, AND THEIR FEAR OF
PROVOKING PRE-ELECTION CONFRONTATIONS WHICH MIGHT
HELP PUT THE DETESTED PCF IN POWER, RATHER THAN OF
ANY NATURAL TIMIDITY ON THEIR PART.

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4. AGAINST THIS BACKGROUND, AND THAT OF THE CURRENT
POLITICAL CIVIL WAR BETWEEN THE PS AND PCF, THE
ACTIVITIES OF THE COMMUNIST-CONTROLLED CGT TAKE ON
SPECIAL SIGNIFICANCE.

(A) FOR MONTHS THE CGT HAS TAKEN THE POSITION THAT IT HAS NO INTENTION OF HELPING MANAGE THE LIMITED OFFICIAL USE

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"CRISIS OF CAPITALISM"; OR OF GIVING TO A GOVERNMENT OF THE LEFT WHAT IT HAS DENIED ONE OF THE RIGHT: ACCEPTANCE AND SUPPORT OF AN AUSTERITY PROGRAM. CUTTING THROUGH THE VERBIAGE, THE CGT'S PUBLIC POSITION IS THAT AFTER THE ELECTIONS IT WILL SETTLE FOR NOTHING LESS THAN AN END TO AUSTERITY; AND MEANINGFUL NEGOTIATIONS BETWEEN THE GOVERNMENT, MANAGEMENT, AND LABOR ON INCREASED WAGES AND SOCIAL BENEFITS. CURRENTLY, IT IS POINTEDLY PREPARING FOR APPROPRIATE CEREMONIES TO MARK THE 10TH ANNIVERSARY OF THE GRENELLE AGREEMENTS, THE GENEROUS LABOR SETTLEMENTS CONCLUDED IN THE WAKE OF THE MAY 1968 DISORDERS. (AND THE PATRONAT HAS JUST CHANGED ITS STATUTES TO PERMIT ITS PRESIDENT, CEYRAC - A KEY FIGURE IN THE NEGOTIATIONS ON THE ORIGINAL GRENELLE ACCORD, TO SERVE AN ADDITIONAL TERM, IN ANTICIPATION OF FORTHCOMING MAJOR LABOR NEGOTIATIONS.)

(B) PUBLICLY, THE CFDT'S POSTURE HAS BEEN MUCH THE SAME AS THE CGT'S. PRIVATELY, HOWEVER, THE UNION'S MODERATES ARE AWARE OF THE LIMITS IMPOSED BY THE WORLD ECONOMIC SITUATION, AND FOR THAT, AND FOR POLITICAL REASONS, HAVE BEEN TRYING TO PUT MORE DISTANCE BETWEEN THEMSELVES AND THE CGT. IN THE WAKE OF ONE SERIOUS DEFEAT IN THE CFDT EXECUTIVE (SEE PARIS 3621), THE MODERATES HAVE NOW SCORED A FEW SUCCESSES. THE CFDT EXECUTIVE, WHILE AGAIN REAFFIRMING THE BASIC STRATEGY OF ALLIANCE WITH THE CGT, HAS NOT ONLY CALLED UPON THE POLITICAL PARTIES OF THE LEFT TO OBSERVE "REPUBLICAN DISCIPLINE" IN THE SECOND ELECTION ROUND, BUT HAS DECIDED THAT IT WILL NOT JOIN WITH THE CGT IN ANY PROGRAM OF COMMON LABOR DEMANDS. THUS, IT WOULD SEEM THAT THE CFDT HAS LIMITED OFFICIAL USE

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AVOIDED BECOMING, AT LEAST FOR THE TIME BEING, ITS LARGER ALLY'S AUXILIARY IN WHATEVER FOLLOWS THE MARCH ELECTIONS.

5. THE CFDT AND ALL THE OTHER UNIONS ANTICIPATE THE POST-ELECTION PERIOD WITH CONCERN. ALL RECOGNIZE THE POLITICAL ELEMENTS IN THE CGT'S POSITIONS AND

HAVE NO DESIRE TO HELP ADVANCE THE PCF'S AMBITIONS, IF THEY CAN AVOID IT. THE PROBLEM WILL BE HOW TO DO SO, GIVEN THE POLITICAL SITUATION. AT PRESENT, THREE BROAD SCENARIOS ARE BEING CONSIDERED, EACH BASED ON ONE OF THE THREE MOST PROBABLE ELECTION RESULTS.

(A) IF THE MAJORITY IS RETURNED, ALBEIT PRESUMABLY IN A WEAKENED STATE, THE CGT IS LIKELY TO STAGE A COORDINATED CAMPAIGN, INCLUDING STRIKES, ETC., AGAINST ANY CONTINUATION OF AUSTERITY; AND TO DO ALL IT CAN TO HAVE ALL THE OTHER UNIONS FOLLOW SUIT. THE REAL OBJECTIVE, HOWEVER, WILL BE AS MUCH TO HELP CONSOLIDATE THE CGT'S AND PCF'S CLAIMS TO BE THE GUARDIANS OF THE WORKING CLASS' INTERESTS, AS TO ACHIEVE ANY REAL END TO WAGE CONTROLS. IN

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SUCH A SITUATION, SIGNIFICANT TROUBLE MIGHT ARISE,
PARTICULARLY IN THE PUBLIC SECTOR.

(B) SHOULD A PS MINORITY GOVERNMENT BE FORMED,
THE CGT WILL CONDUCT THE SAME KIND OF CAMPAIGN FOR
THE SAME REASONS (ASSUMING NO PCF TACIT SUPPORT FOR
A MINORITY GOVERNMENT IN PARLIAMENT), BUT PROBABLY
EVEN MORE CLOSELY IN TANDEM WITH PCF POLITICAL
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DEMANDS AND ATTACKS ON SUCH A GOVERNMENT.

(C) ON THE OTHER HAND, SHOULD A POLITICAL SETTLE-
MENT BE REACHED BETWEEN THE PS AND PCF, AND A UNION
OF THE LEFT GOVERNMENT TAKE OFFICE, THE CGT WILL TRY
TO LINE UP TRADE UNION SUPPORT FOR WHATEVER COMMON
GOALS ARE AGREED UPON, AND IN FAVOR OF THE PCF'S
POSITIONS, WHERE NO SUCH ACCORDS EXIST.

6. IN REVIEWING THESE POSSIBILITIES, IT IS INTEREST-
ING TO NOTE THAT THE CGT'S CURRENT MANEUVERING SUG-
GESTS THAT IT IS NOT ANTICIPATING NOR PREPARING
FOR A GOVERNMENT OF THE UNITED LEFT. THE PROBLEM
IN INTERPRETING THE CGT'S ACTIVITIES, HOWEVER, IS TO
DECIDE WHETHER THEY CONSTITUTE A REAL SIGNAL OR ARE
PART OF THE PSYCHOLOGICAL WARFARE THE COMMUNISTS ARE
CONDUCTING AGAINST THE PS, OR SIMPLY REFLECT PRUDENT
PLANNING.
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